

Disclosure of information about internal control system in corporate reporting

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Abstract

© Medwell Journals, 2016. The present study is devoted to one of the most urgent problems of accounting organization and preparation of accounts the issue of implementation of internal control in the companies. The purpose of the research is to determine the level of information disclosure about internal control system in the company's reporting. The research subject is industrial and economic activity of chosen companies. Public corporate reporting is the object. The researchers set out the following tasks in research process: to estimate the degree of study of the problem; to analyze public reporting including its structure, different report forms, the content of Explanatory Notes to the reporting and the working documents; to compare the reporting of various companies and to identify the degree of information disclosure. The methodology of the research suggests an analysis of existing studies in the field of internal control, visual analysis of internal documents of the companies and their reporting and comparative assessment of reports of some companies. The researchers study public accounts of the major companies, consider it from the view of completeness of disclosure of information about the internal control system, draw conclusions and give recommendations on improvement of control procedures. The researchers justify that the two concepts of internal control and internal audit are not the same. However, the management of some companies does not separate them. The researchers prove that internal auditing is only a part of the internal control system.

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Keywords

Corporate reporting, Internal control, Risk management internal audit, Working documents